



Morning Alert - Thursday, August 17, 2017

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HEADLINES

Morning news

NHK gave top play to a report that Ukrainian President Poroshenko announced that he ordered relevant agencies to launch a probe into the allegations that former Soviet Union's RD-250 rocket engines were sold by Ukraine to North Korea through the black market. NTV, TBS, and TV Asahi led with reports on the unusually cool weather in Tokyo. Fuji TV reported that Princess Mako and her fiancée will hold a press conference on Sept. 3 to announce their engagement.

Major front-page items in national dailies included President Trump's press remarks on Tuesday on the recent violence in Charlottesville, a GOJ plan on evacuating Japanese nationals from South Korea in the event of a Korean Peninsula contingency, and speculation that Prime Minister Abe may dissolve the Lower House for a snap election on Oct. 22.

AMBASSADOR

Ambassador Hagerty promises to deepen bilateral alliance

Mainichi wrote in its international news section that the U.S. Embassy released on Wednesday a video introducing Ambassador Hagerty. He is quoted as saying: "There is no bilateral relationship more important to the United States than our alliance with Japan. Our commitment to the security of Japan and our economic partnership is ironclad." Calling Japan his "second home," the Ambassador said that he is committed to bringing the U.S. and Japan even closer together. The paper mentioned that the video ends with the Ambassador saying in Japanese that he looks forward to serving as the U.S. envoy to Japan.

Fuji TV carried a one-minute report on the Ambassador's video early this morning. It showed the segment in which he spoke of the importance of the U.S.-Japan alliance and of America's

commitment to the security of Japan. He was also shown saying: “My family and I look forward to seeing you soon.”

INTERNATIONAL

Trump welcomes North Korea’s “pause” on Guam attack

All papers took up a tweet posted by President Trump on Wednesday, in which he said: “Kim Jong Un of North Korea made a very wise and well-reasoned decision. The alternative would have been both catastrophic and unacceptable!” The President probably posted the message in response to the DPRK leader’s decision to take a wait-and-see attitude on his generals’ proposal on launching ballistic missiles toward Guam. Noting that the tweet was markedly moderate in comparison with his earlier feisty statements, the papers voiced hope that the tension between the U.S. and North Korea will be defused.

All Japanese citizens in South Korea to be given shelter in DPRK attack

In its lead story, Yomiuri claimed that the GOJ has obtained assurances from the South Korean government that all 57,000 Japanese nationals currently living there will be able to take shelter at designated facilities, such as subway stations and underground parking lots, in the event of a North Korean attack. Although the GOJ reportedly envisions that they will remain in those facilities for up to 72 hours after an initial DPRK assault, little progress has been made in setting up a system for their repatriation. Obtaining consent from the ROK government regarding the use of SDF planes and ships for evacuation purposes will apparently be difficult given local people’s strong objection to the Japanese military. According to the article, the GOJ is considering asking the U.S. military to collect evacuated Japanese citizens from preselected shelters across South Korea and transport them to Busan, from where they would be sealifted to Japan using SDF vessels.

Japan, Russia to hold high-level talks on joint economic activities on contested islets

Mainichi wrote that Deputy Foreign Minister Akita will hold talks with his Russian counterpart in Moscow today to discuss the details of proposed “joint economic activities” on the Northern Territories, such as regular ferry services between Hokkaido and the disputed islands and a cruise ship tour of the area.

Abe to visit India in mid-September

Yomiuri wrote that arrangements are underway for Prime Minister Abe to visit India for three days starting on Sept. 13, projecting that he is likely to affirm with Prime Minister Modi enhanced security cooperation in view of China’s maritime advancement. While in India, Abe plans to survey a

Japanese auto manufacturing plant and attend a groundbreaking ceremony for the construction of a high-speed rail system utilizing Japan's Shinkansen technology.

ECONOMY

U.S. states hoping to host proposed Japanese auto assembly line

Asahi reported that at least 13 state governments in the U.S., including Florida, Pennsylvania, Michigan, Tennessee, and Texas, have expressed hope that Toyota and Mazda will jointly build in their states a new plant, which will employ up to 4,000 workers. The daily speculated that a state in the South may be chosen due to existing regulations that make labor union activities difficult there. While noting that President Trump may welcome the selection of a state in the Rustbelt because of the presence of a large number of his "bedrock" supporters there, the daily quoted a Toyota spokesperson as saying that the final decision will be made while taking into account such factors as employment, distribution, and procurement of auto components.

Ex-USTR official projects difficult NAFTA renegotiations

Mainichi published an interview with former Acting Deputy USTR Wendy Cutler, who said it will probably be very difficult for the U.S. to conclude NAFTA renegotiations early next year. She urged Japan to pay close attention to whether a renewed NAFTA will incorporate a "currency clause" intended to prevent NAFTA members from engaging in exchange rate manipulation since the Trump administration regards an updated NAFTA as a "standard" for future trade pacts with its partners, including Japan. She said she is not optimistic about the U.S.'s return to the TPP in the near future.

In a related story, Sankei and Tokyo Shimbun said Japanese auto manufacturers are closely monitoring the launch of NAFTA renegotiations on Wednesday out of concern that tightening the rules of origin in the free trade pact could be disruptive and hurt their competitiveness in North America, as they may be forced to conduct a major review of the present networks for the procurement of auto parts primarily based in Mexico.

SECURITY

B-1 bombers conduct joint training with ASDF planes

Yomiuri and Nikkei took up a PACOM announcement on Thursday that two B-1 strategic bombers participated in a joint drill with two ASDF F-15s in the vicinity of the Senkakus, speculating that the training was intended to hold North Korea and China in check.

GOJ not planning to earmark funds for GSDF Osprey deployment in Saga

Nikkei wrote that the Abe administration has decided against committing funds in FY2018 for the planned deployment of GSDF Ospreys at Saga Airport in view of mounting concern among local government officials and residents about the safety of the tilt-rotor planes following the recent crash

off Australia. The article projected that as a result, the planned deployment starting in FY2021 will be postponed.

Meanwhile, Tokyo Shimbun picked up the disclosure by Kanagawa Governor Kuroiwa yesterday that a Futenma-based Osprey will not take part in a disaster-response drill scheduled for Sept. 1 in Odawara City, noting that in March this year the USFJ had put forward the idea of dispatching an MV-22 for the training to be co-sponsored by nine prefectural and municipal governments in the Kanto area.

Japan to develop radar to monitor space debris

Sankei front-paged an MOD decision to develop for the ASDF a radar designed to monitor space debris and unidentified objects that could affect satellite operations, noting that the funding will be earmarked for the next fiscal year with the goal of activating the new radar system in FY2023. The daily said the Defense Ministry is keen to cooperate with the U.S. military to conduct enhanced monitoring of space as China is reportedly accelerating its development of anti-satellite missiles.

Okinawa leader asks for generous government spending for local economy

Asahi and Mainichi took up yesterday's meeting in Tokyo between Okinawa Governor Onaga and Chief Cabinet Secretary Suga, at which the governor requested that the GOJ earmark 340 billion yen for economic revitalization in the southernmost prefecture in FY2018. They reportedly did not discuss base issues.

